

# Driving Change with the Health Care Spending Benchmark

## Delaware's Road to Value

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# Delaware's Road to Value

Support patient-centered, coordinated care.  
Prepare the health provider workforce and infrastructure.

Improve health for special populations.  
Engage communities.

Ensure data-driven performance.

Pay for Value

Improved Quality and Cost

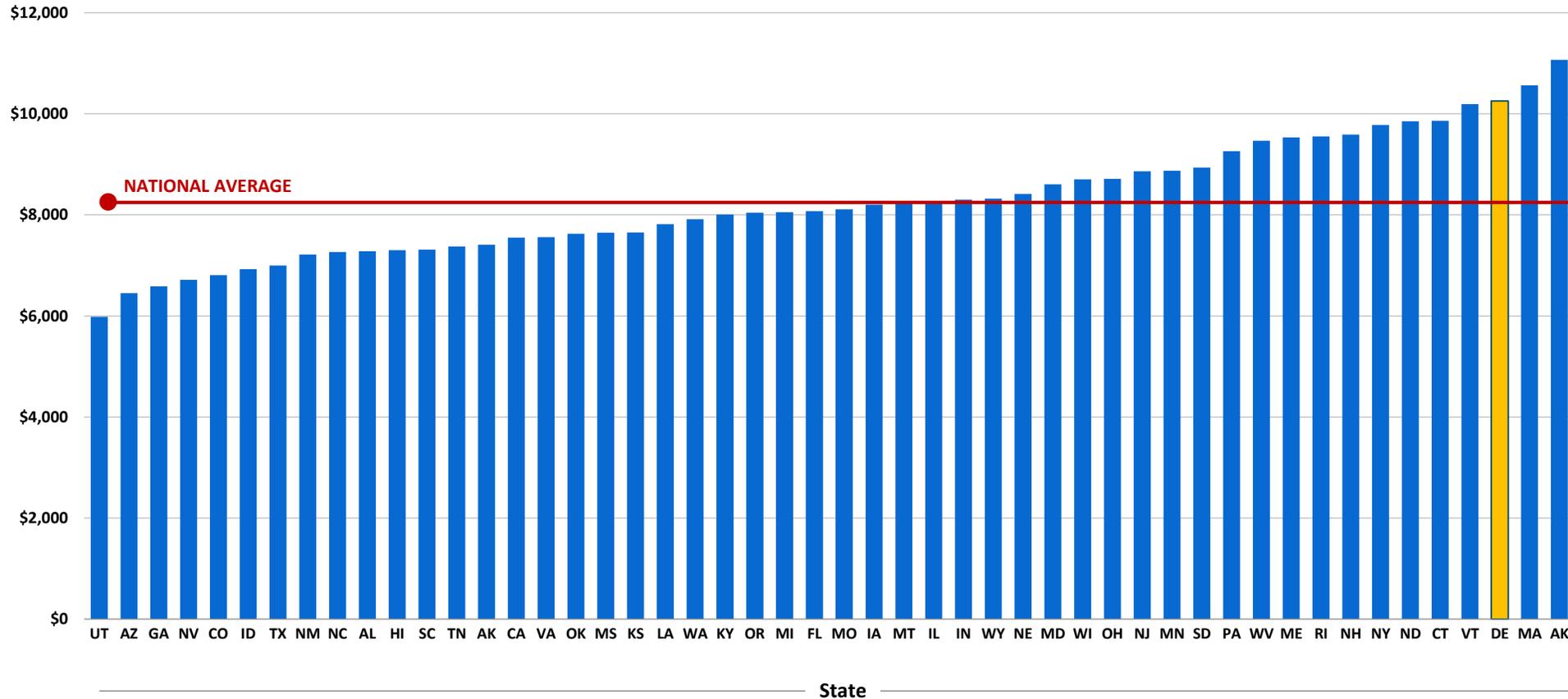
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# Why the Benchmark Is Important

- Delaware's per-capita health care costs are **more than 25% above** the U.S. average.
- Delaware's health care spending is expected to more than **double by 2025**.
- Health care costs consume at least **30 percent** of Delaware's budget.

# Delaware Spends More on Health Care Than Most Other States

PER CAPITA PERSONAL HEALTH CARE EXPENDITURES, 2014

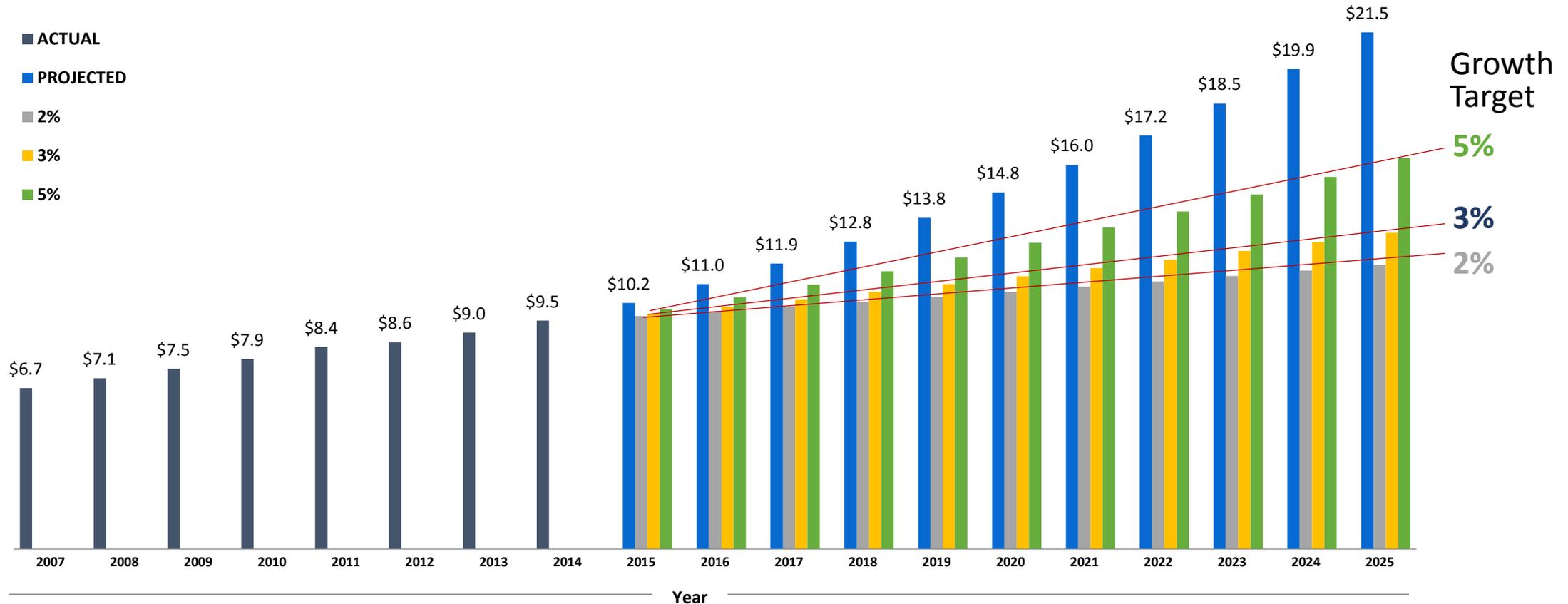


NOTE: District of Columbia is not included.

SOURCE: Centers for Medicare & Medicaid Services, [Health Expenditures by State of Residence](#), CMS, 2017.

# Delaware's Total Health Spending Will Double from 2009 to 2020

DELAWARE'S ACTUAL AND PROJECTED PERSONAL HEALTH CARE EXPENDITURES, 2007—2025  
(BILLIONS OF DOLLARS)



SOURCES: Centers for Medicare & Medicaid Services, [Health Expenditures by State of Residence](#), CMS, 2017;

# Delaware's Overall Health is Poor

- Our population is **older and aging** faster.
- We are **sicker** than the average state.
- Our investments have not led to better outcomes — we are **ranked 31<sup>st</sup>** in America's Health Rankings.

RANKED  
**31**

# Opportunities and Threats to Better Health

- We purchase health care for a **greater share** of the population than most other states.
- We have made progress on moving to **value-based** payment models.
- The current pace of adoption of **downside risk** may not be sufficient to achieve our goals.



# Our Objectives

## Improved Choice and Better Delivery

- Give Delawareans **choices and information** to help them make better health care decisions.
- Reinforce **healthy choices** via institution and neighborhood design.
- **Support primary care** infrastructure that allows for improvements.



# Strategy One

## Improve Health Care Quality and Cost

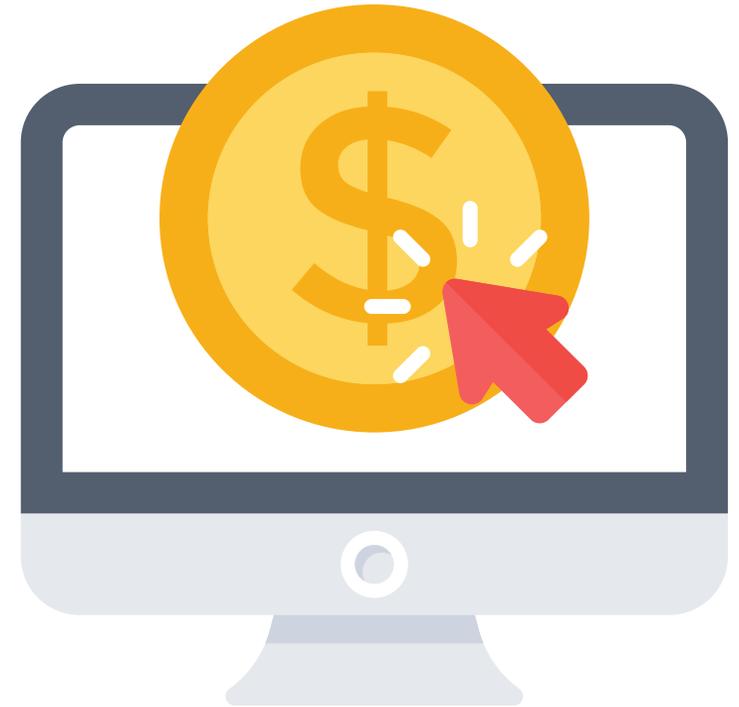
- Establish a value-based framework.
- Create systems of care centered on quality, patient experience, and costs.
- Reduce unnecessary and inappropriate care.



# Strategy Two

## Pay for Value

- Establish a health care spending benchmark.
- Reorient data-driven monitoring of cost toward value.
- Require thresholds in Medicaid Managed Care Organization contracts.



# Strategy Three

## Support Patient-Centered, Coordinated Care

- Create all-payer ACOs to facilitate integration of services and patient-centered medical homes.
- Create reimbursement approaches for safety-net services.



# Strategy Four

## Support the Health Care Provider Workforce and Health Care Infrastructure Needs

- Support primary care workforce, dental, behavioral health, and health-professions education .
- Increase racial and ethnic diversity of workforce.
- Prepare for safety-net providers' increased needs.
- Invest in telehealth and coordination of services for at-risk populations.
- Invest in provider-readiness infrastructure.



# Strategy Five

## Improve Health Care for Special Populations

- Strengthen capacity to promote health equity for people with disabilities.
- Continue to focus on maternal-child health.
- Establish a trauma-informed system of care.
- Use patient-centered medical homes for prison-reentry population.



# Strategy Six

## Engage Communities

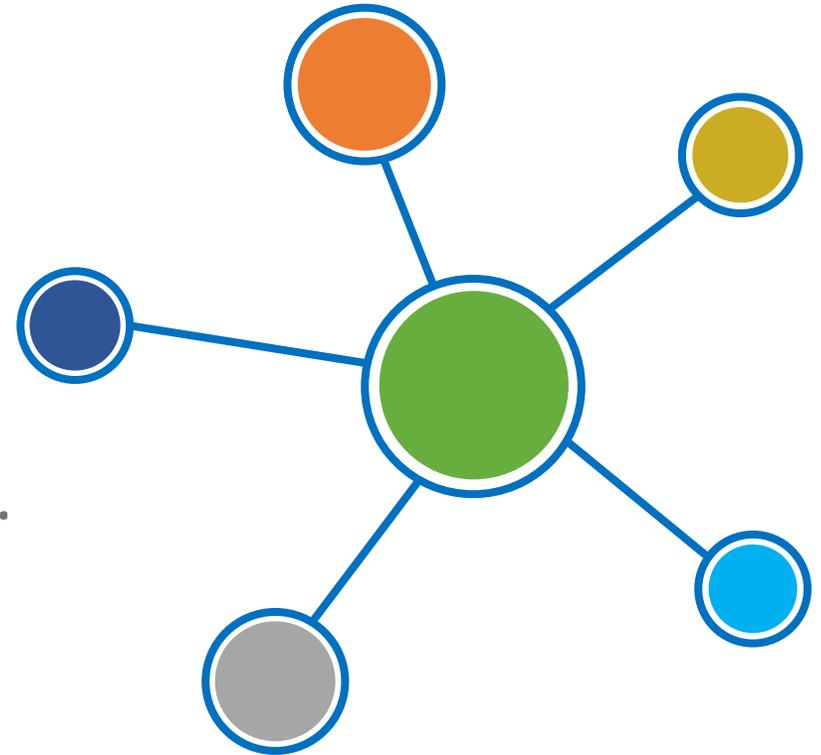
- Improve community-based wellness initiatives.
- Create population-health metrics and community data-driven approaches.



# Strategy Seven

## Ensure Data-Driven Performance

- Use public-private collaboration to establish quality and cost targets.
- Create methodology for ACOs to interpret quality and cost goals.
- Align all payers with total-cost-of-care models.
- Use a multipronged approach to strengthen the exchange and Medicare ACO strategies.

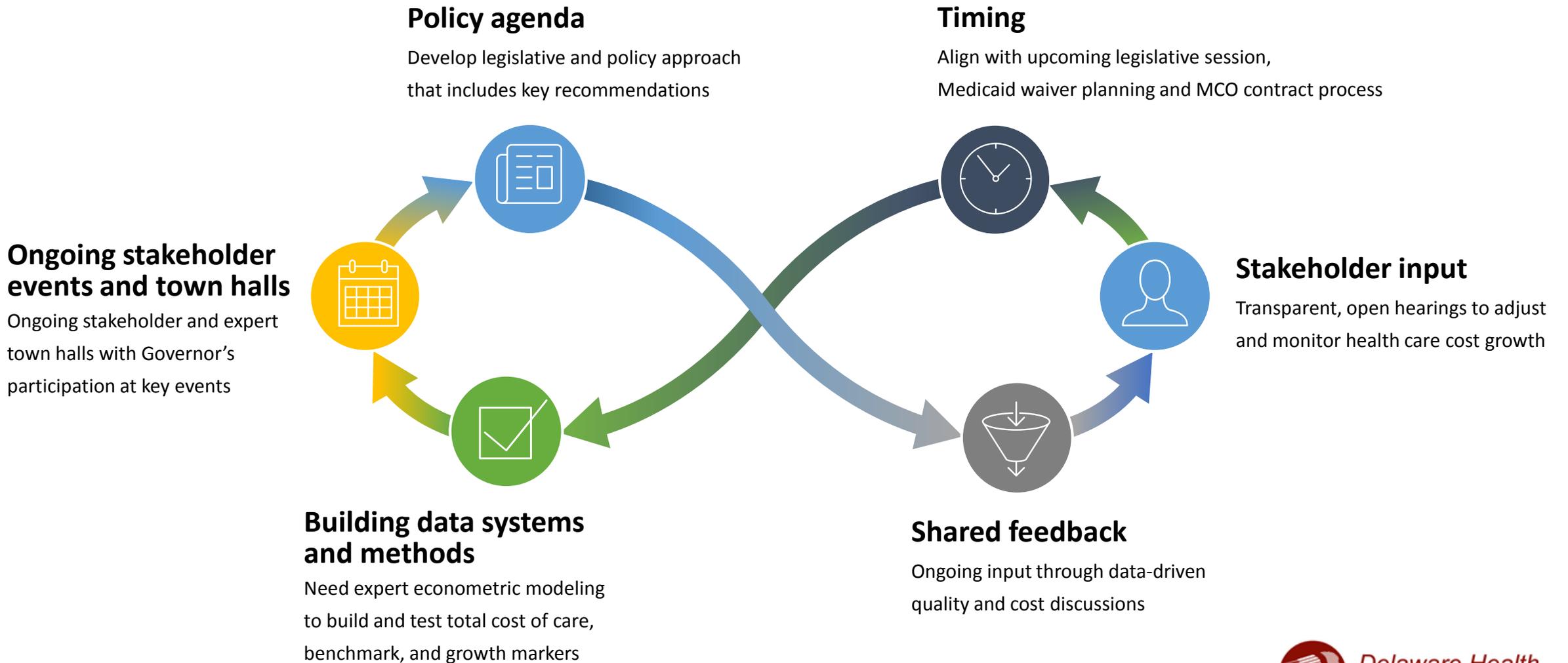


# Success Relies on Everyone's Involvement



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# How It All Connects



# SUMMIT DATES

## Prior Presentations:

SEPT  
7

**Sept. 7:** Establishing Benchmark/Signing of HJR7

SEPT  
22

**Sept. 22:** Provider/Hospital Leadership

## Today's Summit:

SEPT  
25

**Sept. 25:** Legal/Regulatory Issues

## Remaining Summits:

OCT  
18

**Oct. 18:** Data Analytics/Total-Cost-of-Care Methodology

NOV  
2

**Nov. 2:** Governance/Authority

SUBJECT TO CHANGE

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